GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

STARRED QUESTION NO:438
ANSWERED ON:25.08.2004
REVISION IN RATE TARIFF
Mohale Shri Punnulal

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government is aware that Private Mobile Companies revise their rate/tariff frequently due to which the subscribers have to face the difficulty; and

(b) if so, the action being taken by the Government to check it?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI DAYANIDHI MARAN)

(a) & (b): A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) & (b) OF LOK SABHA STARRED QUESTION NO. 438 FOR 25m AUGUST, 2004 REGARDING REVISION IN RATErr ARIFF.

(a) Mobile service has developed into a highly competitive market with three or more than three service providers in most of the service areas. This has resulted in significant reduction in tariffs. Considering the stiff competition in this sector, the Telecom Regulatory Authority of India (TRAI) has forborne the tariffs for cellular mobile services. The competitive activity coupled with the flexibility in offering tariffs has resulted in various tariff plans being offered by the operators.

(b) To protect subscribers from sudden and frequent increase in tariffs by access providers, recently 31st Amendment of Telecommunication Tariff Order (ITO) has been notified mandating a minimum validity period of six months for tariff plans from the date of enrolment of the subscriber to that tariff plan. The service provider is free to reduce tariffs at any time; but increase in any item of tariff in that plan is not permitted during the six months period.